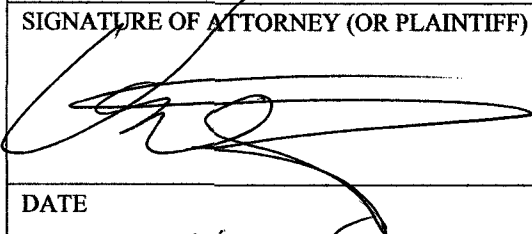


MAY - 9 2018

B1040 (FORM 1040) (12/15)

<b>ADVERSARY PROCEEDING COVER SHEET</b> (Instructions on Reverse)		<b>ADVERSARY PROCEEDING NUMBER</b> (Court Use Only)	
<b>PLAINTIFFS</b> VALENTINA - CHENEPANOVA CHENEPANOVA - BESTER LEARNING		<b>DEFENDANTS</b> KUO CHING YEE, QUALITY LOAN SERVICE CORP, SPS JASON WINDOM	
<b>ATTORNEYS</b> (Firm Name, Address, and Telephone No.)		<b>ATTORNEYS</b> (If Known) SEE COMPLAINT	
<b>PARTY</b> (Check One Box Only) <input checked="" type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input type="checkbox"/> Other <input type="checkbox"/> Trustee		<b>PARTY</b> (Check One Box Only) <input checked="" type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input checked="" type="checkbox"/> Other <input type="checkbox"/> Trustee	
<b>CAUSE OF ACTION</b> (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED) Violated Automatic Stay			
<b>NATURE OF SUIT</b> (Number up to five (5) boxes starting with lead cause of action as 1, first alternative cause as 2, second alternative cause as 3, etc.)			
<b>FRBP 7001(1) - Recovery of Money/Property</b> <input checked="" type="checkbox"/> 1-Recovery of money/property - §542 turnover of property <input type="checkbox"/> 12-Recovery of money/property - §547 preference <input type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer <input type="checkbox"/> 14-Recovery of money/property - other  <b>FRBP 7001(2) - Validity, Priority or Extent of Lien</b> <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property  <b>FRBP 7001(3) - Approval of Sale of Property</b> <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h)  <b>FRBP 7001(4) - Objection/Revocation of Discharge</b> <input type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e)  <b>FRBP 7001(5) - Revocation of Confirmation</b> <input type="checkbox"/> 51-Revocation of confirmation  <b>FRBP 7001(6) - Dischargeability</b> <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims <input type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud <input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny (continued next column)		<b>FRBP 7001(6) - Dischargeability (continued)</b> <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support <input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) <input type="checkbox"/> 65-Dischargeability - other  <b>FRBP 7001(7) - Injunctive Relief</b> <input type="checkbox"/> 71-Injunctive relief - imposition of stay <input checked="" type="checkbox"/> 72-Injunctive relief - other  <b>FRBP 7001(8) Subordination of Claim or Interest</b> <input type="checkbox"/> 81-Subordination of claim or interest  <b>FRBP 7001(9) Declaratory Judgment</b> <input type="checkbox"/> 91-Declaratory judgment  <b>FRBP 7001(10) Determination of Removed Action</b> <input type="checkbox"/> 01-Determination of removed claim or cause  <b>Other</b> <input type="checkbox"/> SS-SIPA Case - 15 U.S.C. §§78aaa et seq. <input type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)	
<input type="checkbox"/> Check if this case involves a substantive issue of state law <input checked="" type="checkbox"/> Check if a jury trial is demanded in complaint Other Relief Sought		<input type="checkbox"/> Check if this is asserted to be a class action under FRCP 23 Demand \$ 200,000.00	

*Please issue Summons*

BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR <i>VCC BL</i>	BANKRUPTCY CASE NO. <i>18-11518</i>	
DISTRICT IN WHICH CASE IS PENDING <i>WESTERN DISTRICT WA</i>	DIVISION OFFICE <i>SEATTLE</i>	NAME OF JUDGE
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF <i>none</i>	DEFENDANT	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING	DIVISION OFFICE	NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF) 		
DATE <i>05-06-18</i>	PRINT NAME OF ATTORNEY (OR PLAINTIFF)	

**INSTRUCTIONS**

The filing of a bankruptcy case creates an "estate" under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor's discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also must complete and file Form 1040, the Adversary Proceeding Cover Sheet, unless the party files the adversary proceeding electronically through the court's Case Management/Electronic Case Filing system (CM/ECF). (CM/ECF captures the information on Form 1040 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff's attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

**Plaintiffs and Defendants.** Give the names of the plaintiffs and defendants exactly as they appear on the complaint.

**Attorneys.** Give the names and addresses of the attorneys, if known.

**Party.** Check the most appropriate box in the first column for the plaintiffs and the second column for the defendants.

**Demand.** Enter the dollar amount being demanded in the complaint.

**Signature.** This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not represented by an attorney, the plaintiff must sign.

FILED  
Western District of Washington  
at Seattle

MAY - 9 2018

MARK L. HATCHER, CLERK  
OF THE BANKRUPTCY COURT

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF WASHINGTON AT SEATTLE**

In re:

**VALENTINA CHEREPANOVA  
CHEREPAANOVA BETTER LEARNING**

Debtor.

**VALENTINA CHEREPANOVA  
CHEREPAANOVA BETTER LEARNING**

Plaintiff,

vs.

**QUALITY LOAN SERVICE  
CORPORATION OF  
WASHINGTON, SELECT PORTFOLIO  
SERVICING, INC, KUO CHING YEE, and  
JASON WINDOM and John does 1-5 as  
applies**

Defendant.

**Case No. 18-11518**

Adversary No. \_\_\_\_\_

**COMPLAINT FOR DAMAGES AND  
VIOLATION OF THE AUTOMATIC  
STAY TITLE 11 §362(a)(1)-(8) AND  
OTHER RELIEF**

**Comes Now VALENTINA CHEREPANOVA CHEREPAANOVA BETTER LEARNING  
and files the following complaint for damages in violation of the automatic stay.**

**I. JURISDICTION AND VENUE**

1. This is a Complaint for Injunctive Relief pursuant to Title 11 U.S.C. §105, other relief

pursuant to Title 11 § 362(h) violations of the automatic stay and other breaches of the

**COMPLAINT FOR DAMAGES -1**

**VCBL**

1  
2 Deed of Trust Act pursuant to RCW 61.24. et seq.

- 3 2. This Court has jurisdiction over the adversary proceeding pursuant to Title 28 U.S.C.  
4 §1334. This is a core proceeding pursuant to Title 28 U.S.C. §157. Venue is proper  
5 pursuant to Title 28 U.S.C. §1409.  
6

7 **II. THE PARTIES**

8 **The Plaintiff**

9 **VALENTINA CHEREPANOVA CHEREPANOVA BETTER LEARNING.**  
10 **("VCBL")**

- 11 3. The **Defendant KUO CHING YEE** ("YEE ") is a Washington state resident and  
12 purports to be the owner of the Plaintiffs Subject Property by way of a foreclosure sale.  
13 Defendant YEE has willfully violated the automatic stay and has jointly conspired with  
14 Quality and all other Defendants to deprive Plaintiffs of equity in Subject Property.  
15

- 16 4 The **Defendant QUALITY LOAN SERVICE CORPORATION ("QUALITY")** is  
17 located at 108 1<sup>st</sup> ave South Seattle WA 98104 Defendant Quality Loan is the  
18 Foreclosure Trustee who has willfully Violated the automatic stay and Breach the Deed of  
19 Trust Act pursuant to RCW 61.24...

- 20  
21 5 The **Defendant SELECT PORTFOLIO SERVICES INC.** and all other names used  
22 to include SPS has willfully violate the Automatic stay

- 23 4. **JASON WINDOM ("JASON")** is a Washington State License Realtor who  
24 employed by Ben Kinney Real-estate Jason has also Willfully Violated the Automatic  
25 Stay .  
26  
27  
28

1 5. **Defendants** sued herein as John Does 1-5 inclusive and therefore sues these Defendants  
2 by such fictitious names. Plaintiffs will amend this Complaint to allege John Does true  
3 names and capacities when ascertained as well.

4 **III. FACTS**

5 6. On 4/13/2018 all Defendants participated in a purchase of Plaintiffs Subject Property.  
6

7 The Subject Property commonly referred to address is 5310 109<sup>th</sup> St NE, Marysville WA  
8 98271 Washington, 98335. Legal description as follows: / Section 10 Township 30  
9 Range 05 Quarter SW LOT 3 SNO CO PFN 03-102663SP REC AFN 200411125328 BEING A  
10 PTN OF SW1/4 SW1/4 PARCEL# 30051000302500

11 7. On 4/13/2017 at 10:00 a.m. Plaintiffs Subject Property was facing a Trustee Sale. Prior to  
12 that sale the Plaintiffs had filed an emergency Chapter (7) bankruptcy petition. A Chapter  
13 (7) Trustee was immediately assigned and pursuant to Title 11 §362 the automatic stay  
14 took effect Case # 18-11518-MLB file at 9:15 AM. The foreclosure trustee and SPS were  
15 all notified prior to sale of the Bankruptcy and also by Fax of the Bankruptcy Filing  
16 Pursuant to RCW 61.24.050(2) the Debtor requested Quality and other defendants Void  
17 sale as well as case law concerning sale of Properties in Violations of Title 11 Automatic  
18 Stay have determine the sale is invalid. AS of today's date all Defendants have taken no  
19 affirmative action to correct the unlawful Sale. The Defendants all continue to disregard  
20 the automatic stay which gives rise to this Claim.

21 8. The purpose of the Chapter (7) filing was to place the Subject Property into protection and  
22 work with the Chapter (7) Trustee to sell and to satisfy creditors. or Apply for a mod to  
23 save property. The value of the Subject Property is \$550,000.00, with the rising real estate  
24 values it could be more. The Subject Property had over \$200,000.00 in equity for the  
25 benefit of creditors. Plaintiffs to include its board would receive some proceeds as well.  
26  
27  
28

1 **Timeline of Foreclosure Sale**

- 2 9. Plaintiff's Subject Property was schedule for foreclosure at 10:00 a.m. on Friday  
3 4/1232018. The Plaintiff filed a Chapter (7) bankruptcy on 4/13/2017 at 9:15 a.m. Shortly  
4 there after the Property was Foreclosed on and the Bankruptcy ignored by all Defendants  
5  
6  
7 10. All the above stated facts are a willful violation of the automatic stay and all Defendants  
8 actions are the core of this Complaint.

9 **IV. CLAIMS FOR RELIEF**

10 **CAUSE OF ACTION ONE**

- 11 11. All Defendants have violated the automatic stay pursuant to Title 11 §362(a)(1)(2)(3).  
12

13 **11 U.S. Code § 362 - Automatic stay**

- 14 (a) Except as provided in subsection (b) of this section, a petition filed under section 301,  
15 302, or 303 of this title, or an application filed under section 5(a)(3) of the  
16 Securities Investor Protection Act of 1970, operates as a stay, applicable to  
17 all entities, of—

18 (1)  
19 the commencement or continuation, including the issuance or employment  
20 of process, of a judicial, administrative, or other action or proceeding  
21 against the Plaintiff that was or could have been commenced before the  
22 commencement of the case under this title, or to recover a claim against  
23 the Plaintiff that arose before the commencement of the case under this  
24 title;

25 (2)  
26 the enforcement, against the Plaintiff or against property of the estate, of a  
27 judgment obtained before the commencement of the case under this title;

28 (3)  
any act to obtain possession of property of the estate or of property from  
the estate or to exercise control over property of the estate.

1 12. All Defendants proceeded against property of the Plaintiffs estate by executing the  
2 Trustee Sale.

3 11 U.S. Code § 541 - Property of the estate is defined as follows:  
4 Property of the estate and the automatic stay are two of the Bankruptcy  
5 Code's quintessential concepts. Upon the filing of a bankruptcy petition,  
6 the Plaintiff's property becomes part of the bankruptcy estate. The concept  
7 of property of the estate under the Code is extremely broad, consisting of  
8 all legal or equitable interests of the Plaintiff in property wherever located  
9 and by whomever held.

10 13. Because of all Defendants actions, the Plaintiffs have suffered damages of loss of income  
11 and loss of equity over one hundred fifty thousand dollars. Plaintiffs have demonstrated a  
12 violation of the automatic stay and are entitled to all damages and costs associated with  
13 this violation.

14 **CAUSE OF ACTION TWO**

15 14. All Defendants have willfully violated the automatic stay pursuant to Title 11 U.S.C.  
16 §362(h). All Defendants were made aware of Plaintiffs bankruptcy filing on numerous  
17 occasions. Title 11 U.S.C. §362(h) allows for punitive damages when a party's actions are  
18 intentional, egregious, reckless, and arrogant, here this is especially apparent since the  
19 Defendants ignored the bankruptcy filing and proceeded with the Trustee Sale after notice.

20 15. As demonstrated, all Defendants failed to take affirmative action to stop the Trustee Sale.  
21 Instead Defendants devised a scheme to chill and defer other prospective buyers from the  
22 bidding then willfully violated the automatic stay and capturing a bargain price depriving  
23 Plaintiffs of any possible surplus.

24 16. Because of all Defendants actions, Plaintiffs have been harmed and are entitled to fees,  
25 costs and compensation.

26 **CAUSE OF ACTION THREE**

1 **Breach of the Deed of Trust Act RCW 61.24.010(4) Trustee Duty of Good Faith.**

2 17. The Defendant Quality by declaring the Subject Property unavailable for sale, then later  
3 contacting a private party to return to sale to purchase at a bargain price caused Plaintiffs  
4 loss of equity. Quality stopping and starting the bidding and turning prospective buyers  
5 away chilling the bid, resulted in a denial of any extra compensation pursuant to RCW  
6 61.24.080(3). As a result of Quality breach, Plaintiffs are entitled to damages.  
7

8 **Injunctive Relief Pursuant to Title 11 §105**

9 18. The Defendants willful violation has deprived Plaintiffs of equity that could pay creditors  
10 in the Chapter (7) case. Pursuant to 11 U.S.C. §105 injunctive relief should be granted as  
11 to recordings of sale of Subject Property to another party. The appropriate remedy would  
12 be immediate injunctive relief to avoid irreparable harm to creditors and Plaintiffs.  
13

14 19. As a result of all Defendants actions, Plaintiffs have suffered damages.

15 **V. RESERVATION**

16 38. Plaintiffs reserve the right to assert and amend this Complaint should discovery and  
17 ongoing damages occur to Plaintiffs by Defendants actions.  
18

19 **VI. PRAYER FOR RELIEF**

20 **WHEREFORE**, Plaintiffs pray that:

21 (A) The Court grant judgment for an injunction to stop any further action against the  
22 Plaintiffs and their estate and **sale rescinded or Voided;**

23 (B) That the Plaintiff be awarded all fees and costs;

24 (C) That the Plaintiff be awarded punitive damages;

25 (D) That the Plaintiff be entitled to economic loss;

26 (E) That the Plaintiff be entitled to all attorneys' fees and costs of litigation;  
27  
28



1 (F) Other such relief that the Court deems proper;

2 (G) And Judgment restraining Defendants from further violation of the automatic stay.

3  
4  
5 Dated this 6 day of May 2018 at Snohomish County, WA

6  
7  
8  
9 **VALENTINA CHEREPANOVA CHEREPANOVA BETTER LEARNING**

10 **Valentina Cherepanova Better Learning Inc**

11 **5310 109th St NE**

12 **Marysville, WA 98271**

13 **Tax ID / EIN: 82-5166843**

14 **dba Val Cher**

15 **dba Better Learning**

16  
17  
18  
19  
20  
21 *As of today's, date the chapter 7 trustee has been absent in this case and appears to have*  
22 *abandoned this estate asset, a copy has been sent to her by mail and e-served as well.*  
23  
24

25 :  
26 **Dennis Lee Burman**

27 **1103 9th St**

28 **PO Box 1620**

**Marysville, WA 98270**

**COMPLAINT FOR DAMAGES -7**

**VCBL**

1 | 360-657-3332

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COMPLAINT FOR DAMAGES -8

VCBL